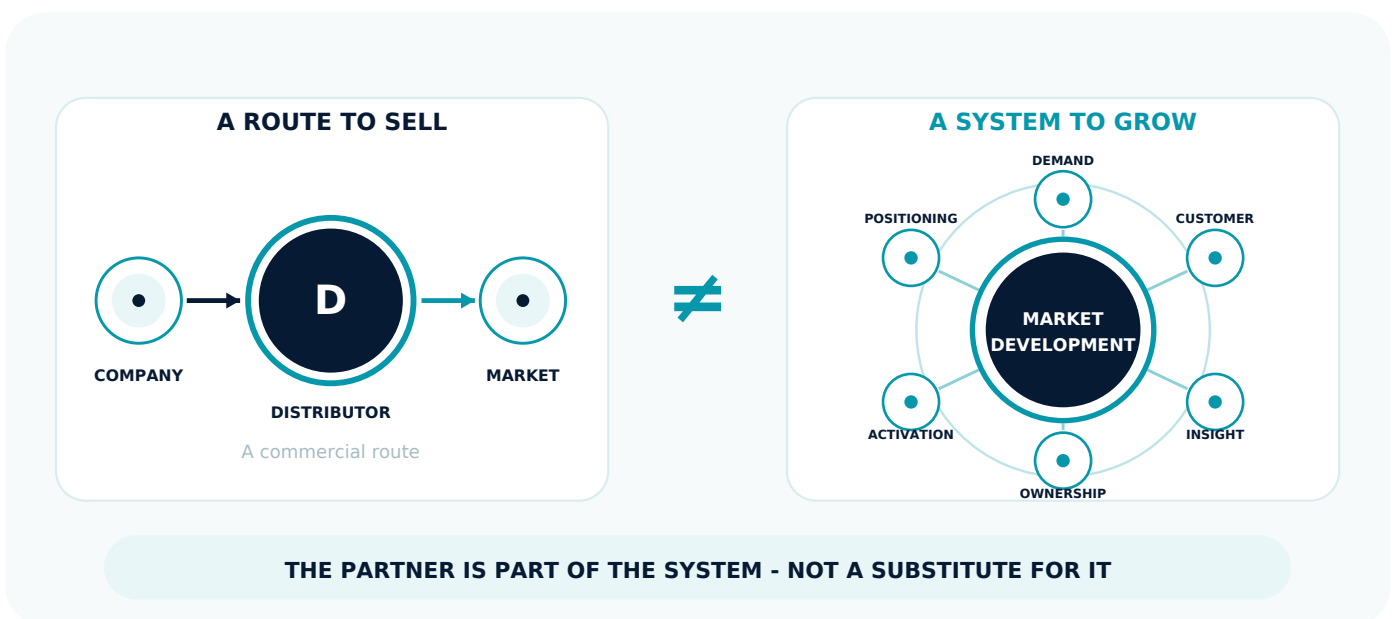


Why Finding a Distributor Isn't the Same as Building a Market

The strategic difference between appointing a channel and building sustainable market presence.



“

**DISTRIBUTION IS A CHANNEL.
MARKET ACCESS IS A STRATEGY.**

A partner creates reach. Sustainable presence requires demand, positioning, learning and shared ownership.

OPENING

“We Already Have a Distributor.”

For many companies, this sentence marks the end of the market-entry discussion. A local partner has been identified. An agreement has been signed. The product can now be quoted, sold and delivered.

But coverage is not the same as presence.

Appointing a distributor does not automatically create demand, establish positioning, generate customer insight or build a repeatable commercial presence.

The agreement creates the possibility of access. It does not, by itself, build the market.

ONE DOOR OPEN. THE MARKET STILL TO BUILD.



KEY INSIGHT

“Representation is a starting point - not proof of market development.”

A distributor can be essential. The relationship becomes a market-development engine only when both sides create demand, learn from customers and own the strategy together.

THE STRATEGIC DISTINCTION

A Channel Is Not a Market

Distribution, entry, access and development are connected. But each answers a different strategic question.

01 DISTRIBUTION

How will the product reach the customer?

The commercial and operational route for selling, delivering and supporting the offer.

A route to customers does not guarantee demand.

02 MARKET ENTRY

How will we begin operating in this market?

The model for starting: a distributor, direct sales, an alliance, a local entity or a combination.

Beginning to sell does not establish a sustainable position.

03 MARKET ACCESS

Can we reach and serve the opportunity?

The alignment of customers, positioning, requirements, partners and capabilities that makes opportunity accessible.

An attractive market may still be inaccessible to your business.

04 MARKET DEVELOPMENT

How will we build and expand demand over time?

The ongoing work of activating demand, supporting adoption, learning from customers and developing accounts.

Early sales must become a repeatable commercial model.

KEY INSIGHT

**A distributor provides a route to customers.
Market development determines what
the company builds through that route.**

THE ROLE OF THE PARTNER

What a Distributor Can — and Cannot — Do

A strong distributor can accelerate access. Its contribution depends on what it is equipped, incentivised and committed to do for your product.

WHAT A PARTNER CAN BRING

- **Customer access**

Established relationships and an understanding of local purchasing processes.

- **Local credibility**

Language, business culture and familiarity with customer expectations.

- **Commercial execution**

Prospecting, quotations, follow-up and day-to-day opportunity management.

- **Operational capability**

Inventory, logistics, credit or after-sales support, depending on the model.

WHAT MUST BE AGREED

- **Demand creation**

Who develops awareness, demonstrations, pilots and new opportunities?

- **Local positioning**

Who translates the value proposition into relevant sales arguments?

- **Investment and support**

What training, resources and commercial effort will each party commit?

- **Market learning**

How will customer feedback, lost opportunities and insights inform decisions?

KEY INSIGHT

A distributor may lead market development. That responsibility must be designed into the partnership, not assumed.

Capability, incentives, resources and shared priorities must work together.

THE DEVELOPMENT GAP

The Six Gaps Between a Channel and a Market

A distributor can open a route to customers. But turning access into a sustainable and profitable market requires six additional areas to be actively managed.



KEY INSIGHT

“Distribution solves an important question. Market development requires six more.”

Real market success comes when these six areas work together — with the distributor as a key partner, not a replacement for your strategy.

ACTIVATION

Reach Does Not Create Demand.

A distributor may provide access to customers, relationships and commercial infrastructure. But access only becomes valuable when the market has a reason to respond.



REACH

Can we get in front of customers?

The partner provides relationships, local presence and routes to market.

01



RELEVANCE

Does our proposition make sense here?

Positioning must connect the product to local priorities, problems and buying criteria.

02



DEMAND

Are customers motivated to act?

Awareness must become interest, evaluation and concrete commercial opportunities.

03

FROM ACCESS TO OPPORTUNITY

A distributor can contribute to each step, but the company must lead the overall process.



PARTNER ACCESS

Relationships, local presence, market knowledge



LOCAL POSITIONING

Adapt the value proposition to the market



DEMAND ACTIVATION

Generate interest, engage customers, create opportunities



COMMERCIAL OPPORTUNITY

From interest to pipeline and sales

KEY INSIGHT

"Access creates the opportunity to compete. Relevance creates the reason to buy."

Being present in the market is not enough. Long-term success depends on how well you connect your solution to local needs and turn interest into sustained demand.

DEVELOPMENT

Sales Generate Revenue. Learning Builds the Market.

Early orders matter. But market development requires something more: turning every customer interaction, opportunity and lost sale into knowledge that improves the commercial model.



THE OWNERSHIP QUESTION

Who owns what the market is teaching us?

The distributor may hold many of the customer relationships. But the company must remain close enough to understand what is changing, why opportunities are won or lost, and what should be adapted.



SHARED RESPONSIBILITY

Define how insights are captured and shared.



REGULAR REVIEW

Turn learnings into concrete actions.



A STRONGER POSITION

Build a more relevant and repeatable commercial model.

KEY INSIGHT

“A sale proves that someone bought. Learning helps explain why — and whether it can happen again.”

Sustainable market development depends on building a feedback loop between sales, insights and action — with the company and distributor working together.

DEVELOPMENT

Don't Just Manage the Distributor. Manage the Market Together.

A distributor relationship becomes strategic when both sides are aligned not only on sales, but on what they are trying to build in the market.



KEY INSIGHT

“The strongest distributor relationships are not managed around orders alone. They are managed around a shared market agenda.”

Sales performance tells you what happened.

Market management helps determine what happens next.

MEASURING PROGRESS

Don't Measure the Partnership by Sales Alone.

Sales matter. But in an emerging market, revenue is often a lagging indicator. A stronger view looks at whether the conditions for repeatable growth are actually being built.

FROM ACTIVITY TO MARKET DEVELOPMENT



LEADING INDICATORS

Show progress towards market development

BUSINESS OUTCOME

Results from a stronger foundation



A SALES-ONLY VIEW ASKS:

"How much did the distributor sell?"



A MARKET-DEVELOPMENT VIEW ALSO ASKS:

"What are we building that makes future sales more likely?"

KEY INSIGHT

"Revenue tells you what the market has produced. Leading indicators tell you what the market may be becoming."

A clear set of indicators helps both the company and distributor have better conversations, make smarter decisions and invest where it matters most.

ADAPT OR ACCELERATE

A Distributor Is Not the Strategy. The Strategy Must Be Able to Evolve.

A distributor model should never become a constraint simply because it was the original route to market. As evidence accumulates, the company should be prepared to reinforce, adapt or expand its market approach.



KEY INSIGHT

"The objective is not to defend the original market-entry model. It is to build the model the market evidence supports."

A clear, evidence-based approach helps you make better decisions, allocate resources effectively and build a stronger position in the market over time.



THE STRATEGIC SHIFT

From Finding a Distributor to Building a Market.

A distributor can be an essential part of market entry. But the market still has to be built.



Finding the route is only the beginning. **Market development** is what turns access into growth.

KEY INSIGHT

"Finding the route is only the beginning. **Market development** is what turns access into growth."

SOURCES

Sources & Further Reading

Reference material supporting this NMA Insight.

01



U.S. COMMERCIAL SERVICE

International Trade Administration

Sales Channels

Guide to indirect foreign-market selling through agents, representatives and distributors, including partner selection, due diligence and agreement design.

trade.gov

02



U.S. COMMERCIAL SERVICE

International Trade Administration

Evaluate Foreign Representatives

Guidance on assessing distributors and representatives, including market potential, product introduction methods, capabilities and references.

trade.gov

03



OECD

SME trade, GVCs and competition

Explains how international market access, business networks, customer/supplier relationships, capabilities, market intelligence and advisory support affect SME participation in global markets.

oecd.org

04



OECD

Removing Barriers to SME Access to International Markets

Provides evidence on the learning process of internationalisation, market information challenges, management capabilities, networks and barriers to entering foreign markets.

oecd.org

05



EUROPEAN COMMISSION

Enterprise Europe Network: Empowering Small and Medium Enterprises across Europe

Support for international growth through local expertise, market-rule guidance and helping companies find commercial partners abroad.

ec.europa.eu

06



EUROPEAN COMMISSION

SME internationalisation beyond the EU

Discusses internationalisation, access to third markets, partner identification, networks and support for building presence in foreign markets.

ec.europa.eu



HOW TO USE THESE SOURCES

These sources provide evidence and reference points on international market entry, distribution, partner selection, networks and market development. The NMA framework in this Insight is a strategic synthesis designed to translate those principles into practical market-entry decisions.

ABOUT NMA

Your Partner in Market Access.

MARKETS ARE COMPLEX.
OPPORTUNITIES ARE REAL.
THE RIGHT APPROACH
MAKES THE DIFFERENCE.

NEXT MARKET ACCESS helps companies evaluate, enter and develop international markets with greater strategic clarity.

We work at the intersection of market intelligence, commercial development and local execution — helping companies move from identifying an opportunity to building a viable market presence.

01



CONNECT

Establish the route.

Identify the right market structure, partners, stakeholders and commercial pathways.

02



ACTIVATE

Build demand and relevance.

Translate the value proposition into the local market, engage the right customers and create commercial momentum.

03



DEVELOP

Turn access into growth.

Learn from the market, strengthen execution and evolve the model as evidence accumulates.

MORE THAN PARTNER SEARCH

Finding the right distributor can be important.
Building the right market around that relationship is where the real work begins.

NMA helps companies look beyond the appointment of a partner — to the market system that partner needs to succeed within.

WHERE WE WORK



Europe ↔ Mexico

with selected opportunities across broader international markets.



EUROPE
MEXICO
LATAM
NORTH AMERICA
SELECT MARKETS
GLOBALLY

From market complexity
to strategic clarity.

YOUR NEXT MARKET STARTS HERE

Don't Just Find a Distributor. Build the Market.

A partner can open the door.
What you build beyond that door
determines the opportunity.

PEOPLE
MARKETS
OPPORTUNITIES
LONG-TERM GROWTH

A CLEARER PATH
A BRIGHTER HORIZON

NEW MARKETS.
BIGGER
POSSIBILITIES.



THINKING ABOUT A NEW MARKET?

**Before choosing the route, understand
what the market will require.**

NEXT MARKET ACCESS helps companies assess opportunities,
define the right market-entry model and build the commercial
foundations for sustainable growth.

LET'S EXPLORE YOUR NEXT MARKET. →

nextmarketaccess.com



INTERNATIONAL
MARKETS.
REAL
OPPORTUNITIES.

INSIGHT
STRATEGY
EXECUTION
REAL PROGRESS

From Market Complexity to Strategic Clarity.